



City of Troy, Retirees Newsletter Issue No. 1

September 2006

As a result of our Retiree Questionnaire (see results of survey in this issue) and as the current retiree representative I feel it is my responsibility to take the lead role in the production of a Retiree newsletter, and I have been authorized by the Board to do so. I look forward to working on this project and I would really appreciate receiving any of your suggestions, comments, and critiques of the inaugural effort. In the time since my last communication with you much has happened in Troy that will have an effect on the Retirement Board for many years to come.

The One Constant In Life,.... Is Change!

City Manager Retires:

Troy City Manager John Szerlag retired on March 13, 2006. This did not mean that John was going to quit working; in fact he has accepted a new position as City Manager of Sunny Isles Beach, Florida. The city is located on Florida's east coast and has a population of 15,000.



Debbie & John Szerlag

During John's tenure as Troy City Manager he was responsible for a number of improvements in the City's retirement program, most of which centered on the availability, and cost of health insurance benefits. His efforts have greatly reduced the cost of health insurance for all Troy retirees, and steps have been taken with the new "Healthcare Trust Fund" to insure these benefits for both current and future Troy retirees.

New City Manager:

On June 2006 Phillip Nelson of Northglenn, Colorado was hired as Troy's new City Manager. Phil has more than 30 years experience in municipal government including more than 17 years as City Manager. Phil and his wife Virginia have relocated to Troy, and he assumed his new duties on July 17th.



Northglenn, a suburb of Denver, has a population of 37,800, an annual operating budget of \$48 million and a capital budget of \$13.5 million. The municipal government in Northglenn employs approximately 215 people.

It is a point of interest that Phil will be Troy's first City Manager to be a member of the defined contribution retirement system.

New City Council Retirement Board Trustee Appointment:

Martin F. Howrylak, has been appointed by a majority of his colleagues on Council to be their representative on the Troy Employees Retirement Board replacing Mayor Louise Schilling. Councilman Howrylak's term runs until April 15, 2009 and he attended his first board meeting this past June. I and the rest of the members of the board look forward to working with him in his new role as Retirement Board Trustee.

I would also like to thank Mayor Schilling for all her many hours of dedicated hard work on the retirement board. Her efforts have benefited all current and future Troy retirees.

Bill Need

Questionnaire Results:

After three months, a total of 72 members of both retirement plans have responded to the questionnaire that they received in April of this year; this translates into a response rate of approximately 24.7 percent of the total group.

Question 1 Do you feel that a newsletter for City of Troy retirees is necessary and desirable?

- a) **yes (70)**
- b) no (2)

Question 2 How often should a newsletter be published?

- c) annually (8)
- d) **twice a year (29)**
- e) three times a year (24)
- f) if more than above, how many issues per year (6-qty) (2 bi-monthly) (1 monthly)

One issue of a newsletter will be sent out with the "**Annual Report to the Membership**" and another issue mid-year.

Question 3 Would you like your name and address included on a roster of Troy retirees that would be shared with other City retirees?

- g) **yes (57)**
- h) no (13)

There is a significant population of the group (16.7 %) that indicated that they didn't want information of this nature made part of any roster that would be made public. I feel that it would be very easy to accommodate this by including only those who wish to be included.

Question 4 What information would you like to receive on a regular basis from the Retirement Board?

- i) **summary of each month's meeting minutes (50)**
- j) **e-mail and U.S. mail addresses to which retirees could submit questions of the board (37)**
- k) **change in the board's make-up (28)**
- l) **listing of new retirees (39)**

All of these items should be covered in a newsletter.

Question 5 Rather than having a newsletter included along with your check stub would you prefer a retiree's web-site? This type of format would make it much easier to update information, and provide a wider range of information economically.

- m) yes (22)
- n) no (22)
- o) **both (26)**

As you can see the group was evenly split; I would therefore recommend that all newsletters be delivered via the U.S. Postal Service for at least the foreseeable future. I would also propose that if possible it would be desirable to have a copy of this newsletter available on the City's web page.

Question 6 Should this newsletter include a message from a member of the board (Chair, City Manager, or Finance Director) answering a question of general interest that has submitted to the board from a retiree?

- p) **yes (72)**
- q) no (0)

Question 7 Should a newsletter include an annual obituary list?

- r) **Yes (61)**
- s) no (7)

Question 8 Do you feel that an annual Retirees Picnic or Get Together is something that you would likely attend?

- t) yes (16)
- u) **no (47)**

Question 9 Should there be space in each newsletter dedicated to information submitted by retirees with significant changes in their lives that they would like to have announced, such as new grandchild, moved, birthday milestone, anniversary milestone, etc.?

- a) **yes (39)**
- b) no (27)

Question 10 Would you find it beneficial that notice of important issues that the board will have to face in the future, and how these issues might be dealt with, should appear in a retiree's newsletter?

- c) **yes (66)**
- d) no (5)

Question 11 Please list additional questions you may have.

These could serve as topics to be discussed by the board chair or by the administration.

- A) Retirees that are part of the defined contribution program need to establish better lines of communication with the board and City.
- B) Why don't you have a vote (retiree member)?
- C) Posting of the retiree's newsletter on the city's website is a good idea, but remember many retirees don't have computers.
- D) There should have been a retiree on the board a long time ago.
- E) Being a DB retiree, I don't get any information about ICMA R C meetings.
- F) Glad to see that the board was accepting of the idea of having a retiree on the board.
- G) Would like to see a booklet explaining various retirement program options and what you might expect.
- H) I would like to find out what each group of retirees receives in benefits.
- I) I would like a copy of the retirement board ordinance.
- J) I am very interested in more information about why a healthcare trust had to be formed.
- K) How many retirees are in both the D.B. and D.C. programs?

Current Makeup of the Retirement Board

Employee Elected Trustees

The make up of the retirement board is codified by Chapter 10 of the "Troy City Code". There are basically three different trustee groups, first those that are current employees that are elected by the current employee group. The three members of the board that have been elected current employees of the City, are Tom Houghton (Board Chair, and Police Lieutenant, DC), Michael Geise (Police Patrolman, DB), and Steve Pallotta (Vice Chair, and Director of Building Operations, DC).

City Manager and Finance Director Trustees

The second group of board trustees is made up of City employees who are required to serve on the board as a condition of their employment with the City. These are the City Manager Phillip Nelson, and Finance Director John Lamerato.

City Council Appointments

The third group of trustees is made up of City Council appointments as defined by ordinance. It is required that one member of the current sitting City Council shall be appointed to serve as a board trustee; Councilman Martin Howrylak, has been chosen by his colleagues to fill this post. It is required that a non-employee citizen of the City of Troy be appointed to the board by a majority of the members of the Troy City Council; this seat is currently occupied by Mark Calice.

Lastly, City Council has the authority to appoint a local retiree to the board as a non-voting trustee; this is the position I have been selected to satisfy. When City Council made the last amendments to Chapter 10 an amendment was approved that made it mandatory that a minimum of two of the five employee trustees (whether elected or appointed) be members of the "Defined Benefit Retirement Program."



Frequently Asked Questions

One of the questions that I have been asked by many of you since becoming involved on the retirement board is:

How many retirees have received benefits from the Troy Retirement System, and how many pension checks are sent out each month?

Mr. Clifton Truesdell was the first Troy retiree. He began receiving benefits after he retired December 1, 1966. As of July 2006 a total of 268 persons have received monthly checks from the Defined Benefit Retirement Fund. There are 46 retired members of the Defined Contribution system which began in 1997.

Retiree Roster

One item that was made very clear as a result of the questionnaire responses (question #3) was that a great many of you wanted a roster of retirees be produced and disseminated between both DB and DC retirees. As overwhelming as the positive response was, there were many who did not want their personal information shared. In an effort to satisfy both groups you will find an information form that if you wish to have your personal information included in a roster you must complete and sign authorizing the City to make your personal data public. Should you not wish to be included in the roster, simply do not return the form. I would hope to have a roster completed prior to the holiday season of this year, therefore all informational forms should be returned to the City by November 1, 2006.

In Closing

I sincerely hope that you find my first effort at newsletter writing to be satisfactory. I realize that I haven't covered every newsworthy item, but one has to begin somewhere. In the future I hope to dedicate much more space to a wide variety of topics including what actually occurs during our monthly meetings and the rationale behind the board's actions.

As indicated at the beginning of the paper your comments, suggestions, and critiques are encouraged and welcomed.

Respectfully,

Bill Need

Roster Informational Sheet

Retiree's Name:

Spouse:

Address:

City:

State: _____ Zip: _____

Telephone: _____

e-mail: _____

Secondary Address:

City:

State: _____ Zip: _____

Telephone: _____

It is understood by signing the document that I authorize the City of Troy to share the data disclosed here with all other City of Troy retirees that wish to be included in the roster program.

Retiree's Signature:

Date:

Return by November 1 to

Bill Need c/o John Lamerato, Asst. City Manager
500 W. Big Beaver
Troy MI 48084